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**Telecommunication Outsourcing Brief
October 29, 2003**

Overview

- HB 2533 required GITA, in consultation with the Department of Administration (ADOA), to develop an actionable Request for Proposal (RFP) to outsource the State's telecommunication services.
- GITA developed the RFP with extensive input from ITAC, TEGC, CIOs, ADOA, private sector, etc.
- GITA will submit the RFP to the Joint Committee on Capitol Review (JCCR) by October 31, 2003.

Who

- The Governor's letter of September 24, 2003 directed all agencies to participate.
- In Phase 1:
 - 107 agencies receiving some voice or data services from ADOA's ATS.
 - AHCCCS who runs their own voice system that needs replacement.
- Additional agencies and locations to be added within 2 years through an Additional Work Process, subject to analysis with defined price and performance controls.

What

- Outsourced management of telecommunication services, including Capitol Mall fiber ring.
- Lay the foundation for a single, converged, statewide voice, video and data network.

When

- Service Provider to be selected in Spring 2004 and agencies to be migrated in 2 years.
- Roadmap plan to a converged voice, video and data network within 3 to 5 years.

Where

- In Phase 1: Capitol Malls in Phoenix/Tucson and 267 locations statewide for a total of 16,000+ lines.

Why

- Advance a more cost effective, efficient statewide telecommunication network.
- Overcome the inefficiencies of disparate systems in agency silos.
- Increase inter-agency communications and improve government services.
- Support executive initiatives, such as social services reform, criminal justice integration, etc.

How

- To reduce risk and draw on lessons learned, GITA has recommended a phased approach:
 - Starting with a manageable, definable core.
 - Expanding (with cost and performance controls) as the State gains experience with outsourcing.

Increased Efficiencies

- There are over 50 telephone switches (PBXs) and 400 telephone key systems in the executive branch. The outsourcer will eliminate redundant systems and manage those that remain.
- The outsourcer will develop a convergence plan to move the state from a separate voice and data network to one network for both, resulting in additional cost savings and efficiencies.
- The State will retain a portfolio of commodity contracts to insure continuous competition and lower costs.
- For additional cost savings, the outsourcer will:
 - Eliminate redundant telephone circuits.
 - Move agencies to IP telephony technology (as their business needs require).
 - Upgrade the State's network (subject to State technology and security standards).
 - Submit benefit sharing and cost reduction proposals during the contract term.